

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF LOUISIANA**

**AIG SPECIALTY INSURANCE  
COMPANY (f/k/a CHARTIS  
SPECIALTY INSURANCE  
COMPANY)  
Plaintiff**

## VERSUS

**KNIGHT OIL TOOLS, INC. AND  
RIPPY OIL COMPANY  
Defendant**

**RIPPY OIL COMPANY**  
**Intervenor**

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CIVIL ACTION NO. 21-cv-04191

JUDGE ROBERT R. SUMMERHAYS

MAGISTRATE CAROL B.  
WHITEHURST

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## AIG SPECIALTY INSURANCE COMPANY'S OBJECTIONS TO MAGISTRATE'S REPORT AND RECOMMENDATIONS

**NOW INTO COURT**, through undersigned counsel, comes AIG Specialty Insurance Company f/k/a Chartis Specialty Insurance Company (“ASIC”), which respectfully submits the following objections to the September 7, 2022 Report and Recommendation issued by Magistrate Judge Whitehurst [R.Doc. No. 91].

- On page 2 of the Report and Recommendation, under Factual Background, the Magistrate states that “[t]he dispute precipitating these proceedings involved Knight Oil Tools, Inc.’s (‘KOT’) allegedly faulty drilling pipe, which caused damage to Rippy’s oil well in Texas.” ASIC objects to this statement on the grounds that it is lacking in any evidentiary support. Part of the coverage dispute at issue herein is that the underlying trial record is void of any evidence that the allegedly faulty drilling pipe caused any physical damage to Rippy’s oil well. Accordingly, ASIC objects to this statement on the grounds that it lacks any evidentiary support and to the extent Rippy attempts to rely on this statement as a finding of fact.

- On page 2 of the Report and Recommendation, under Factual Background, the Magistrate states that “[f]ollowing a jury trial in Texas state court, Rippy obtained a multi-million dollar judgment against KOT for the damage.” ASIC objects to this statement on the grounds that it is factually inaccurate and is not supported by the underlying trial record or the judgment. Pursuant to the Verdict Form, the jury found, in relevant part, that (1) KOT “breach[ed] the implied warranty of fitness for a particular purpose” and that “such breach [was] a proximate cause of the occurrence in question;” (2) KOT made “a negligent misrepresentation with respect to the condition of the drill pipe at issue, on which Rippy Oil Company justifiably relied and was the proximate cause of the occurrence at issue;” and (3) the “Easterling No. 1-H well was [not] capable of being reproduced by drilling another well as it existed at the time of the occurrence in question.” ASIC therefore objects to the statement on the grounds that it is factually inaccurate and is not supported by the underlying trial court record and to the extent Rippy attempts to rely on the statement as a finding of fact.

Respectfully Submitted,

/s/ Robert I. Siegel

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*Attorneys for AIG Specialty Insurance Company*

**CERTIFICATE OF SERVICE**

I hereby certify that on this 15<sup>th</sup> day of September, 2022, I electronically filed the foregoing with the Clerk of Court by using the CM/ECF system which will send a notice of electronic filing to counsel for all parties to this proceeding.

/s/ Robert I. Siegel

ROBERT I. SIEGEL